

الجلسة الثانية: لماذا تقدير التكلفة الاقتصادية للعنف

المشاورات الإقليمية حول تحديد التكلفة الاقتصادية للعنف ضد المرأة
الإسكندرية، جمهورية مصر العربية
24 – 25 تشرين الأول/ أكتوبر 2017



Why Costing? A Policy, Advocacy and Monitoring Tool

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**Regional Consultations: Economic Costing of Violence Against Women
24-25 October 2017, Alexandria – Egypt**



Global Prevalence of Violence

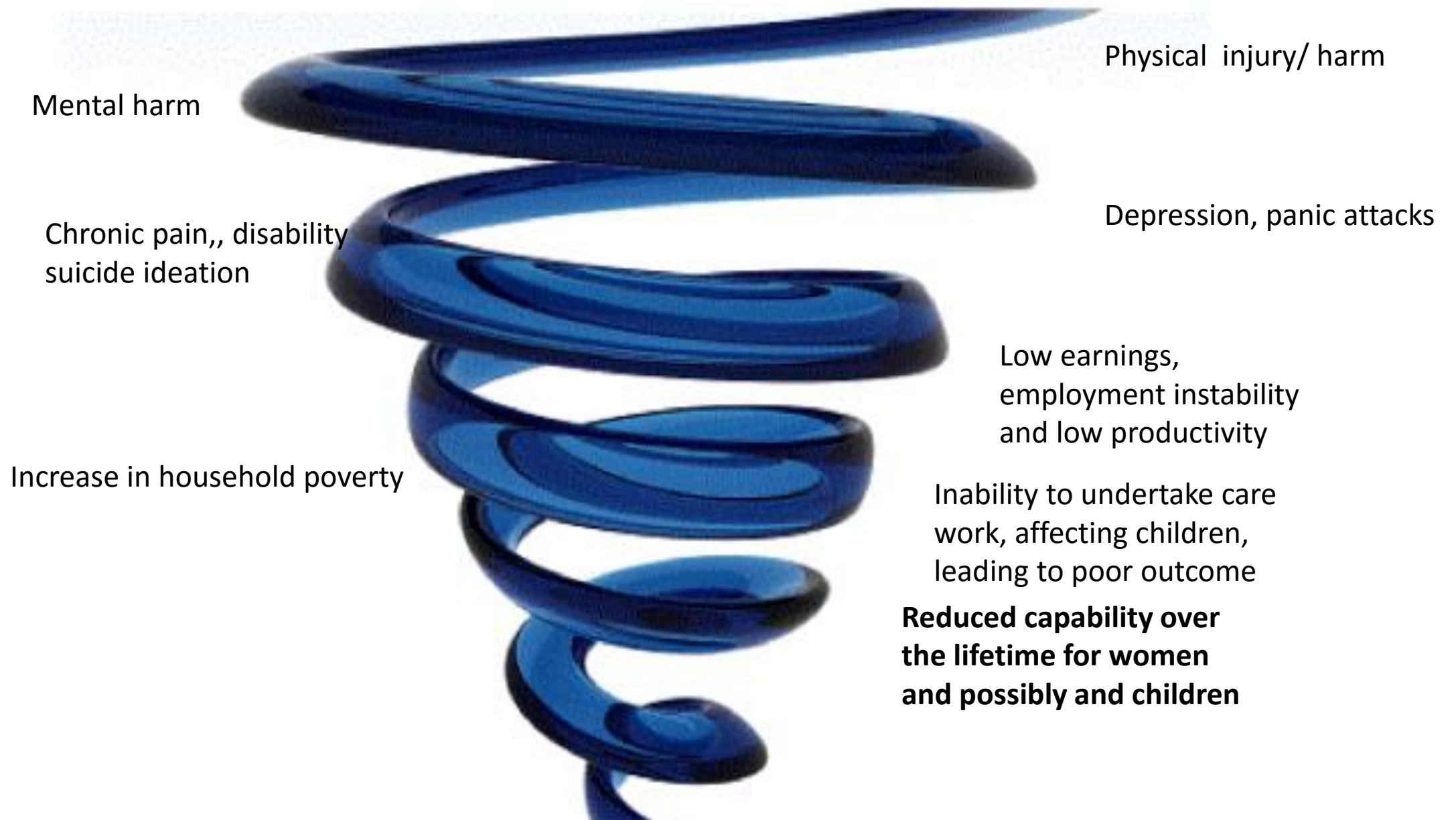


Source: UN Women (2015) World's Women

Violence Against Women: an Economic Issue?

- In much of the discourse and policy advocacy on violence against women focus is on its rights violation dimension.
- The argument is normative that response is required because it is fundamentally wrong
- Equally women and families bear significant costs that are invisible or ignored with significant implications for the economy

Downward Spiral of Consequences of Intimate Partner Violence



Intimate partner violence and adult women

- Physical and mental harm lead to serious short and long term impacts
- Additionally women with children are unable to undertake care work, like cooking or bringing her children to school, which in turn impacts on the well-being of her children and extended family.
- The impacts over the lifetime reflect a loss of human potential for the individual, the community and the society/economy

Trauma is the key pathway

- Women have poorer economic outcomes – greater employment *instability* (higher job turnover, less likely to rise on the promotion ladder, and so on).
- Have lower earnings - 35% lower earnings than women who do not have an experience of violence. this difference in earnings **alone** is equivalent to 2 to 3 % of the GDP, representing a sizeable loss of productivity for the country.
- Women incur out of pocket to access services – in US women pay for about one-third of the costs for medical and treatment and counselling after rape or physical assault.
- An Australian study in 2016 found that 52% of overall costs was borne by the survivor of domestic violence.
- In Vietnam medical expenditure was equal to 21% of women's monthly income

Costs to Families

- Children's capabilities and potential undermined
 - – cognitive difficulties, lower educational performance, and increased juvenile delinquency.
- An important unrecognized cost is the impact of trauma on the unpaid care work that women do and the consequent impact on the welfare of children.
- Over time this impacts the capabilities, education, and skills of the future workforce.



Costs to Extended Families

- In most countries, women who leave their marital violence often turn to their natal families
- For example in Ireland, 80% of these sought refuge with family or friends
- In Egypt 1,000,000 women leave marital home every year, majority who go to their natal family (96.5 %)
- Reliance on informal networks is an invisible cost
- Most governments rely on this informal network of support instead of investing in adequate refuge services

Economic Impact: Violence deepens poverty and costs Development and Growth

- Every incident of violence has immediate impacts and long-run consequences
- Some of these impacts involve actual expenditures that can be monetised and **thus are costs**
- Costs are at household and community levels – impacting families, businesses, neighborhoods and society at large





- **Direct costs** refer to the value of goods and services used in treating or preventing violence.
- **Non-monetary costs** capture human costs, including increased suffering, morbidity and mortality; abuse of alcohol and drugs; and depression.
- The broader economic effects of violence against described as **economic multiplier effect**
- **Social multiplier effects** are described as the impact of violence on interpersonal relations and quality of life. (all these could potentially be ‘accounted’ but methodologies complex)

Economic Impacts

A useful way of categorising costs is:

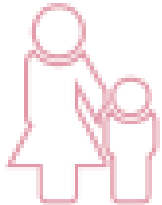


- **Opportunity cost:** the costs or expense incurred that could have been spent otherwise
 - These could include direct costs as well as some indirect costs such as foregone income from missed work



Work and
productivity

- **Productivity Loss:** the cost of reduced output
 - This could include both productivity loss through absenteeism, reduced labor force participation as well as pain, suffering and loss of life



- **Intergenerational loss:** the loss of potential of the next generation

What evidence needed for policy and advocacy

- For policymakers
 - Evidence on costs of inaction – not simply costs but evidence of how violence can undermine effectiveness of government investments
 - Cost effectiveness of prevention interventions to identify areas of scale up
 - Costs of solution to understand levels of resources required
- Advocates need same information to ensure government response

Costing studies and key findings

- About **60 costing studies** of which 44 are from high income countries
6 from upper middle income, 8 from low middle income countries and 2 from low income

These studies have a significant difference in perspective

- **High income studies** focus on costs involved in service provision, where help seeking higher and services are more available – so focus on costs of different services as well as costs of pain and suffering
- **Middle and low income countries** focus more on productivity loss through absenteeism or presenteeism or the gap in earnings between those abused or not, as it impacts economic growth

Author	Country	Costs Estimated	Cost Estimate	% of GDP
Walby (2004)	UK	Services; lost economic output due to absenteeism; and human and emotional costs	£23 billion	1.91%
NCRVAW&C (2009)	Australia	pain, suffering and premature mortality; services; production related costs; second generation; and transfer costs	AUD\$13.6 billion	1.25%
CARE (2010)	Bangladesh	Out-of-pocket expenditures, absenteeism, community expenditure on services	USD\$1.8 billion	2.05%
Duvvury et al. (2012)	Vietnam	Out-of-pocket expenditure, foregone income due to missed paid and unpaid work, productivity loss	USD\$1.71 billion (out-of-pocket); USD\$2.26 billion (productivity loss) Total: \$3.97 billion	1.41%; 1.78%; 3.19%
Vara (2014)	Peru	Output loss due to absenteeism and presenteeism of victims, perpetrators and bystanders, expenses for service provision, hiring and training costs	USD\$6.7 billion	3.7%
NCW and UNFPA 2016	Egypt	Out-of-pocket expenditure and foregone income due to missed paid and unpaid work, time of family members	6.15 billion Egyptian pounds or USD\$693,000,000 Not a macro estimate	.21%

Macro economic loss

- There is also significant **macro economic loss for the the whole economy** and in specific sectors through what we call the multiplier effect
- An estimation we did for **Vietnam** suggests that the the multiplier effect of investment in agriculture is halved due to violence against women and girls.
- Or in other words the effect of \$100 million investment in agriculture is reduced – instead of increase in income (jobs) by 50% or additional \$50 million, because of violence the gain will only be \$25 million or .5 is the multiplier

Costing of Service Provision

- Not only must we establish costs for households and economy, we need to understand **what is actually required for service provision**
- With UN Women in Asia Pacific we undertook estimation of resource requirements for package of services that stakeholders agreed to in Timor Leste, Lao PDR and Indonesia



Critical Gap – Cost effectiveness of Prevention

- Establishing the **effectiveness of prevention interventions** and/or strategies is a huge gap
- Several interventions such as IMAGE, SASA, Stepping Stones and Soul City have had **rigorous evaluations** – all showing significant decline in prevalence
- However only IMAGE and Soul City have **cost effectiveness data**
- DFID What Works Programme will produce data on cost effectiveness of six interventions including a media intervention in Palestine by MARD

Does cost evidence impact decision makers?

- While the jury is out because of the few studies there is anecdotal evidence of impact
- **Australia and UK** both expanded their investment in services after the initial cost estimates were published
- In **Vietnam** the government agreed to a minimum package of services after seeing the results of the costing study
- **Women's Union and UNFPA** used the evidence in briefings to the National Assembly to garner support for the package

NGOs used for increased allocations

“ We used this costing information for advocacy. We met the Ministry of Social Solidarity about a proposal we gave them for shelters. They refused our budget more than 70 per cent. So we advocated using the costing study. Then they increased the budget to 100 per cent of our request! ”



Marilia da Silva Alves, from Fokupers NGO, Timor Leste.

Conclusions

- Establishing the economic costs of violence against women (**or the cost of inaction**) is critically important to highlight the urgent need to act
- Establishing the **effectiveness of prevention interventions** (and their cost effectiveness) is key to highlight specific **areas of investment**
- Establishing the **resource requirements for services** is urgently needed to advocate for **budgetary allocations**